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Letter dated 3 March 2003 from the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism addressed to the President of the Security Council

I write with reference to my letter of 22 November 2002 (S/2002/1285).

The Counter-Terrorism Committee has received the attached third report from Cyprus submitted pursuant to paragraph 6 of resolution 1373 (2001) (see annex).

I would be grateful if you could arrange for the present letter and its annex to be circulated as a document of the Security Council.

(*Signed*) Jeremy **Greenstock**
Chairman
Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

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Annex

Letter dated 14 February 2003 from the Deputy Permanent Representative of Cyprus to the United Nations addressed to the Chairman of the Security Council Committee established pursuant to resolution 1373 (2001) concerning counter-terrorism

With reference to the letter dated 7 October 2002 conveying further comments by the Counter-Terrorism Committee on the report of the Government of Cyprus submitted pursuant to paragraph 6 of Security Council resolution 1373 (2001), I have the pleasure to enclose the response of the Government of Cyprus to those comments (see enclosed supplementary report).

(*Signed*) George **Kasoulides**
Deputy Permanent Representative

Enclosure

Supplementary report of the Republic of Cyprus to the Counter-Terrorism Committee (CTC) established pursuant to resolution 1373 (2001) concerning counter-terrorism, in reply to the letter dated 15 November 2002

1. Implementation measures

1.2. Effective implementation of paragraph 1 of the Resolution requires enactment of specific provisions relating to a monitoring mechanism that ensures that funds and other economic resources collected by non-profit organizations (e.g. religious, charitable or cultural organizations) are not diverted for other than the stated purposes, particularly for financing of terrorism. Please comment on what action Cyprus proposes to take in this regard.

As mentioned in the previous Supplementary Report of Cyprus, very few and well known charitable associations exist in Cyprus.

It should be noted that in order to establish such entities in Cyprus, they should be registered and licensed according to the provisions of the "Charities Law, Cap. 41" and the "Societies and Institutions Law, No. 57/72".

The use of the funds and other economic resources collected by such non-profitable organizations solely for the stated purposes, is safeguarded through the provisions of the aforementioned laws.

Of outmost importance are the provisions concerning the obligation to keep accounts, which should be audited. Failure to keep such accounts is a reason for the cancellation of the license.

As an example of such a provision is the following section of the "Charities Law, Cap. 41":

"10. The trustees of any charity incorporated under the provisions of this Law shall in books to be kept by them for that purpose regularly entered full and true accounts of all moneys received and paid respectively on account of such charity, and shall also at the end of every year prepare and transmit to the Administrative Secretary the following accounts: -

(a) an account of the gross income arising or which ought to have arisen for the benefit of the charity during the year ending on the 31st day of December then last;

(b) an account of all balances in hand at the commencement of every year, and of all moneys received during the same year, on account of the charity;

(c) an account for the same period of all payments;

(d) an account of all moneys owing to or from the charity so far as conveniently may be,

which accounts shall be certified under the hand of one or more of the said trustees."

Similar provisions are contained in the "Societies and Institutions Law, No. 57/72".

Furthermore, the preventive measures applied in the financial sector, in relation to the anti-money laundering measures and the measures against the financing of terrorism are applied when such entities conduct financial transactions through the Banking Institutions in Cyprus.

1.3. Effective implementation of sub-paragraphs 2 (d) and (e), requires a State to criminalize the use of its territory for the purpose of financing, planning and facilitation of terrorist acts against other States or their citizens, even if no related terrorist act has actually been committed or attempted. From the report

it is not clear whether the legal provisions in Cyprus meet this requirement entirely. Please comment on how Cyprus is able to comply with that requirement.

The Financing of terrorist acts is clearly a criminal offence in Cyprus, with the Ratification Law of the U.N. Convention for the Suppression of the Financing of Terrorism, and specifically, with the following section, titled "Offences and penalties":

"4 (1) The offences referred to in article 2 of the Convention are punishable by imprisonment up to fifteen years or with a fine of one million Cyprus pounds or both such imprisonment and fine."

Concerning the "planning and facilitating of terrorist acts against other States or their citizens, even if no related terrorist act has actually been committed or attempted", the provisions of certain sections of the Criminal Code are applied, such as the section on "conspiracy" which states as follows:

"372. Any person who conspires with another to commit a misdemeanour, or to do any act in any part of the would which if done in the Republic would be a misdemeanour, and which is an offence under the laws in force in the place where it is purposed to be done, is guilty of a misdemeanour."

1.4. Please provide a progress report on the steps taken by Cyprus in regard to becoming a party to the Convention on the Marking of Plastic Explosives.

On 21.6.2002 the Convention on the Marking of Plastic Explosives was ratified by Law 19(III)/2002. The relevant Instrument of Accession was deposited on the 20.9.2002 making thus Cyprus party to all 12 International Conventions related to terrorism.

2. *Assistance and guidance*

2.1. Cyprus, within the framework of its commitment to fight and most importantly to co-operate with other countries against terrorism, is willing to organize Regional Conferences or Seminars addressing this issue, using the experts of the Cypriot Authorities in this area.

Furthermore, Cypriot experts are willing to participate as lecturers in Conferences in other countries for the same purpose.